



E/037/0188
S/037/0058
cc: mike
Energy Fuels Resources Corporation
225 Union Blvd. Suite 600
Lakewood, CO, US, 80228
303-974-2140
www.energyfuels.com

December 30, 2013

Mr. Ted McDougall
Bureau of Land Management
Monticello Field Office
365 North Main Street
Monticello, Utah 84535

**Transmittal: REVISED Sage Mine Notice for Exploration Activity UTU-69788
San Juan County, Utah**

Dear Ted:

Attached please find a revised Notice for Exploration Activity at Sage Mine submitted by Colorado Plateau Partners LLC, an affiliate of Energy Fuels Resources Corporation (Energy Fuels). This application pertains to the Sage Mine in San Juan County, Utah. As we recently discussed, Energy Fuels would like to combine the existing Notice for Sage Mine UTU-74647 – which was filed for drilling, installing and monitoring of groundwater wells – into the Sage Mine Exploration Notice accepted in April 2013 UTU-69788 – which was filed for underground geologic/bulk sampling and mine evaluation as well as surface environmental sampling and baseline data collection.

On November 11, 2013 Energy Fuels filed a request with the Utah Division of Oil, Gas and Mining (UDOGM) to combine their two corresponding Sage Mine project numbers in the same way. They have since given verbal approval to combine Exploration project E/037/0188 into Small Mine NOI S/037/0058. They are evaluating the combined bonds at this time and, if there are significant changes in the bond amount, we may execute a new bond contract in the next couple of months.

In order to incorporate the two BLM Notices, and reflect other minor revisions requested by UDOGM, we completed a new Notice for Exploration Activity form for UTU-69788 and listed below the specific pages/sections that changed.

- Part 1, Other Federal, State or Local Authorizations – Text was added discussing the combination of UDOGM permit numbers S/037/0058 and E/037/0188.
- Part 2, Project Area Maps – The single map provided previously was replaced with 4 maps showing varying levels of detail (similar to the maps provided to UDOGM with the SM NOI). The disturbance areas are outlined on the maps and increased to include the disturbance remaining from when the wells were drilled along with disturbance associated with the powder and primer magazine areas.
- Part 2, Activity Description – A bullet was added discussing the ongoing environmental monitoring associated with the groundwater wells.
- Part 2, Reclamation Plan – Drill hole plugging procedures were added to detail reclamation of the groundwater monitoring wells.



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- Part 3, Reclamation Cost Estimate – Text was added discussing the combination of UDOGM permit numbers and the associated bond evaluation.

Finally, if the BLM approves our request to combine the two Sage Mine Notices, we ask that Notice number UTU-74647 be closed. Please contact me at 303-389-4133 or areither@energyfuels.com if you have any questions or would like additional information.

Sincerely,

A handwritten signature in blue ink that reads 'Andrea Reither'.

Andrea Reither
Environmental Permitting Specialist

cc: Paul Baker (UDOGM), F. Filas, Dick White (Energy Fuels)

– Notice –
for

Exploration Activity under the Surface Management Regulations at 43 CFR 3809

You may submit a Notice for surface disturbing activity greater than casual use instead of a Plan of Operations. To qualify for a Notice the activity must: 1) constitute exploration, 2) not involve bulk sampling of more than 1,000 tons of presumed ore, 3) must not exceed 5 acres of surface disturbance, and 4) must not occur in one of the special category lands listed in 43 CFR 3809.11(c). The regulations at 43 CFR 3809.301(b) describe the information that you, the operator, are required to provide in order for the Notice to be complete. The Notice is to be filed in the BLM field office with jurisdiction over the land involved. The Notice does not need to be on a particular form but must contain the information required by 43 CFR 3809.301(b), as outlined below. This format has been prepared to help small or medium scale operators address the content requirements for a Notice. Use of this worksheet is voluntary.

Part 1 - Operator Information

You must identify the operator responsible for conducting the proposed activity. If the operator is a corporation, then a corporate point of contact must be identified. You must notify the BLM in writing within 30 days of any change of operator or corporate point of contact or in the mailing address of either.

Name(s): Colorado Plateau Partners LLC (CPP)	Point of Contact (<i>if operator is a corporation</i>): Dick White
Mailing Address: C/O Energy Fuels Resources Corporation 225 Union Blvd. Suite 600 Lakewood, CO 80228	Mailing Address: Colorado Plateau Partners LLC C/O Energy Fuels Resources Corporation 225 Union Blvd. Suite 600 Lakewood, CO 80228
Phone Number: 303-974-2140	Phone Number: 303-974-2152
Fax Number: 303-974-2141	Fax Number: 303-974-2141
Email address (<i>optional</i>):	Email address (<i>optional</i>): dwhite@energyfuels.com
Taxpayer Identification Number (<i>for an individual this is your social security number</i>): 26-4244820	
Unpatented Mining Claims (<i>list the name and BLM serial number(s) of any unpatented mining claim(s) where disturbance would occur</i>): BLM Claim Numbers: UMC418565, UMC418566, UMC418570, UMC418569, UMC373440, UMC373442, UMC418574	
Other Federal, State, or Local Authorizations (<i>list any other permits or licenses you have either applied for or been issued for this project</i>): Permits S/037/0058 and E/037/0188 were approved by the Utah Division of Oil, Gas and Mining (DOGM) to commence small mining operations and exploration respectively. On November 13, 2013 CPP filed a request to combine the two into the S/037/0058 NOI. This BLM Notice of Intent (NOI) is directly related to that combined permit and includes no additional surface disturbance beyond what was submitted to DOGM.	

Part 2 – Description of Exploration Activity and Reclamation

You must provide a complete description of all equipment, devices or practices you propose to use during operations with a level of detail appropriate to the type, size, and location of the activity. The type of information required is listed below. You only need to address those items applicable to your operations.

<p>Project Area Maps (<i>Attach map(s) that show the location of your project in sufficient detail for BLM to find it and the location of access routes that will be used or constructed. Show all relevant project features on the maps or drawings:</i>)</p>	<p><input checked="" type="checkbox"/> Exploration location <input checked="" type="checkbox"/> Access routes, new and existing construction <input checked="" type="checkbox"/> Drillsite/drill hole location(s) <input checked="" type="checkbox"/> Trenching location/depth <input checked="" type="checkbox"/> Underground workings <input checked="" type="checkbox"/> Support facilities/buildings/utility service/etc. <input checked="" type="checkbox"/> Other: Flooded mine workings</p>
<p>Activity Description (<i>Address each applicable project feature, describe the equipment you intend to use and measures you will take to prevent unnecessary or undue degradation.</i>)</p>	<p><input type="checkbox"/> Access route construction and use <input type="checkbox"/> Drill site construction <input type="checkbox"/> Drilling operations/drill fluids & cuttings handling <input type="checkbox"/> Trenching or surface sampling <input checked="" type="checkbox"/> Underground sampling or excavation <input type="checkbox"/> Bulk sample or waste stockpile placement <input type="checkbox"/> Support facilities construction and operation <input checked="" type="checkbox"/> Other: Re-open portal and baseline studies</p>
<p>Activity Description (<i>Describe your proposed exploration activity. Attach additional sheets/maps where needed</i>)</p> <p>The following activities may take place under this NOI:</p> <ul style="list-style-type: none"> • Re-open the portal – The portal was covered with soil and rocks to seal it during a period of mining suspension. The soil and rock will be removed and placed on previously disturbed land nearby. It will be marked and used to re-seal the portal during reclamation. Equipment used for this effort may include a hydraulic excavator and small bulldozer or front-end loader. Once cleared, the portal entrance will be reconstructed to meet MSHA safety standards. A locked gate will be used to secure access to the reconstructed portal. • Environmental testing and sampling – Assessment of water level at the vent shaft, sampling and analysis of mine water, environmental testing of ore and waste rock. Note: the lower portion of the mine workings are flooded so ore and waste sampling will only occur in the upper portion of the mine. • Geological exploration – Evaluation of geology along dry underground workings. • No additional surface disturbance is proposed and no dewatering will take place under this NOI. • Environmental monitoring of groundwater wells. These three wells were originally drilled under Notice UTU-74647 and have been rolled into this Notice because they will be associated with ongoing environmental monitoring. 	
<p>Reclamation Plan (<i>provide a reclamation plan to meet the standards in 43 CFR 3809.420. Include a description of the equipment, devices and practices you will use. Address the applicable components in the right column</i>)</p>	<p><input checked="" type="checkbox"/> Drill hole plugging procedures <input checked="" type="checkbox"/> Disposal of drill cuttings or other waste material <input type="checkbox"/> Drill site/drill road regrading and reshaping plans <input checked="" type="checkbox"/> Closure of mine openings and test pits <input checked="" type="checkbox"/> Topsoil salvage, handling and replacement <input checked="" type="checkbox"/> Vegetation reestablishment / weed control <input checked="" type="checkbox"/> Removal/stabilization of buildings & support facilities <input checked="" type="checkbox"/> Other: Seal portal</p>

Reclamation Plan (*Describe how you will complete reclamation of the project area. Attach additional sheets/maps where needed*)

- Access to the portal and other onsite buildings will be secured.
- Any trash generated during these activities, such as scrap metal, wood or other building materials, will be properly disposed of offsite.
- Activities will take place on previously disturbed land. Because no new surface disturbance will be generated, no topsoil or subsoil stripping and stockpiling will be necessary.
- Access to the site will occur on existing roads.
- Silt fences and straw waddle or straw bales will be used to control erosion as necessary.
- The vent shaft will be resealed once sampling is completed.
- When it is time to reseat the portal, the previously marked soil and rock will be used. If additional material is required, it will be taken from the waste rock dump.
- If it is necessary to reseed disturbed areas, adaptable species will be used.
- Groundwater monitoring wells will be plugged in the subsurface to prevent aquifer contamination. A five-foot cement surface plug will also be installed.

Schedule of Activities (*provide a schedule with the date you expect to begin operations and the date you expect to complete reclamation. Notices expire in 2 years, after which, only reclamation may be conducted unless the Notice is extended.*)

Activities will begin on BLM land after August 15, 2013 and conclude before July 31, 2015.

Part 3 – Reclamation Cost Estimate

A reclamation cost estimate (RCE) is required for your Notice to be complete. The following are general RCE requirements. The BLM is available to assist you in developing your reclamation cost estimate.

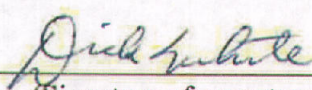
Reclamation Cost Estimate Elements (*Account for each of these cost elements*)

- ☐ The RCE must cover the Reclamation Plan at any point in the project life
- ☐ Calculate the RCE based on BLM's cost to contract for the reclamation
- ☐ Include all equipment use, supplies, labor, and power in direct costs
- ☐ Allow for a contingency cost (10% of direct costs)
- ☐ Allow for contractor profit (10% of direct costs)
- ☐ Include contractor liability insurance (1.5% of total labor cost)
- ☐ For direct costs over \$100,000 add 3% for payment & performance bonds
- ☐ Add 12% of direct costs for BLM contract administration & indirect costs

Reclamation Cost Estimate (*Attach additional sheets/maps where needed*)

CPP requested that the bond from UDOGM exploration project E/037/0188 (BLM Notice number UTU-74647) be rolled into the S/037/0058 bond. UDOGM is assessing the combined NOI bond amounts and will inform CPP if additional surety is required. If the bond amount changes, CPP may request that a new bond contract be executed.

The Notice is submitted this date by:



(Signature of operator or agent)

12-30-13

Date

(Signature of co-operator or agent)

Date

Additional Processing Information

Within 15 calendar days of receiving your Notice, the BLM will review the Notice material and notify you:

- 1) that your Notice is complete and the amount of the financial guarantee that must be provided before operations may begin; or
- 2) that your Notice is not complete, specifying what information is missing or incomplete; or
- 3) that your Notice is complete but that BLM requires additional time for consultation, field visits, or review before it can evaluate the Notice; or
- 4) that the Notice must be modified in order to prevent unnecessary or undue degradation; or
- 5) that your operations do not qualify for a Notice.

Once a complete Notice is received, and BLM determines that it will not cause unnecessary or undue degradation, the BLM will notify you that your Notice has been accepted and issue a decision on the amount of the financial guarantee. However, you must not begin surface disturbing activity until you have provided a financial guarantee in the approved amount to the BLM State Office, and received a decision from that office that the financial guarantee instrument has been accepted.

All Notices expire two years from the date of the letter establishing the financial guarantee amount. If you wish to conduct operations for two additional years after the expiration date of your Notice, you must notify BLM in writing on or before the expiration date and meet the financial guarantee requirements. You may extend your Notice more than once.

It should be noted that acceptance of a Notice by BLM does not constitute a determination regarding the validity or ownership of any unpatented mining claim involved in the operation. In addition, you are responsible for obtaining any use rights or local, state or federal permits, licenses or reviews that may be required for your operation.

A Notice proposing use and occupancy of the public lands, such as full or part time residence or the construction, presence, or maintenance of temporary or permanent structures, must also obtain concurrence under the regulations at 43 CFR 3715 that the use or occupancy is reasonably incident to the prospecting or exploration activity.



Author: areither	Date: 11/13/2013	Drafted By: areither
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